



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
BROOKFIELD PLACE, 200 VESEY STREET, SUITE 400
NEW YORK, NY 10281-1022

April 2, 2025

By ECF

Hon. Anne Y. Shields
United States District Court Eastern District of New York
Long Island Courthouse
100 Federal Plaza
Central Islip, NY 11722

Re: *Securities and Exchange Commission v. The NIR Group, LLC, et al.*,
11-cv-4723

Dear Judge Shields:

Counsel for the Securities and Exchange Commission (“SEC”) writes to provide a status update and to seek relief from the Court in obtaining complete document productions from Defendant Corey Ribotsky (“Ribotsky”) and Krupnick Ribotsky Ltd. (“KRL”). In sum, Ribotsky and his counsel continue to hamper the SEC’s efforts to collect what Ribotsky owes by withholding documents and asserting specious privilege claims. The SEC has conferred with counsel and twice provided detailed descriptions of the deficiencies. However, not all responsive documents have been produced. Therefore, the SEC respectfully requests that the Court compel the production of all outstanding documents for a fourth time and require turnover (for inspection only) of Ribotsky’s passport. If all responsive, non-privileged documents are not turned over, the SEC respectfully requests that the Court impose any appropriate remedy.

Background. As background, the Court has four times ordered Ribotsky and KRL to produce the documents the SEC seeks: on May 8, 2024, January 24, 2025, February 10, 2025 and March 4, 2025. Yet, neither Ribotsky nor KRL has fully complied with the Court’s orders. After reviewing the March 17 productions (“Ribotsky Response,” “KRL Response” or, collectively “Responses”), attached here as Exhibits 1 (KRL Response) and 2 (Ribotsky Response) (omitting attached documents), SEC counsel provided counsel for Ribotsky and KRL, Kevin Krupnick (“Krupnick”), with a list of deficiencies and requested that they be cured by March 24, to avoid reverting to the Court. Copies of the letters detailing the deficiencies to KRL and Ribotsky, dated March 21, are attached here as Exhibits 3 (KRL) and 4 (Ribotsky) and incorporated here by reference. KRL and Ribotsky responded through Krupnick on March 26, and provided some additional information. The responses are attached as Exhibits 8 (KRL) and 9 (Ribotsky). However, as the SEC explained in its replies, attached as Exhibits 10 and 11, some important deficiencies remain unaddressed.

Continued, Improper Objections. KRL continues to make various objections, including misstating the scope of attorney-client privilege. What's more, KRL failed to provide a privilege log so that any privilege claim can be evaluated for propriety. A more complete response to the over-broad privilege claims is set forth in the SEC's letter to Krupnick at Exhibit 3.

Improperly Withheld Documents. At least certain responsive documents intentionally have not been produced. For example, the Ribotsky Request 2 called for: "[a] complete copy of any passport under which you have traveled." Even so, initially Ribotsky produced an excerpt of two pages that contained only his identifying information and no travel records. When SEC counsel again sought production of the entire passport, Ribotsky produced a few pages of travel records. These pages reveal Ribotsky's 2022 trips to Paris in April, and St. Maarten in July, ahead of his second bankruptcy filing on October 10, 2022. Ex. 7. Shortly after his bankruptcy filing, in December 2022, Ribotsky jetted off to Dubai. *Id.* Ribotsky filed for bankruptcy again on February 17, 2023 and, later in 2023 traveled to Paris (date obscured). *Id.*

In response to Ribotsky Request 3, which called for "[a]ll documents and communications for any trip you have taken including but not limited to the airline used, lodging and payment for such lodging, all traveling companions, and all expenses paid for in connection with the trip (including the source of funds used to pay the expense)." Ribotsky claims that he can recall travel to Dubai, Las Vegas, and Paris between 2021 and 2023 but has no documents concerning these trips. Ex. 2. This is plainly inaccurate because Ribotsky has a passport, from which he produced excerpts. He now claims that the trip information is on electronic apps he cannot access.

Likewise, Ribotsky Request 1 called for "[c]opies of all credit card statements for all credit cards on which you have incurred expenses including but not limited to the following credit card accounts...." Ribotsky did not produce any responsive documents claiming he is still waiting for them from a yet-unidentified financial institution. It is entirely unclear why these critical documents could not be accessed electronically and produced timely. KRL, however, produced documents indicating that Ribotsky uses a KRL credit card but those statements had not yet been produced. KRL did produce a spreadsheet of data from part of 2023 - with a partial account number (and no reference to a financial institution) that indicates that Ribotsky has spent tens of thousands of dollars of funds from the KRL account. Ex. 5 (redacted). From the documents KRL and Ribotsky have produced, a troubling picture is emerging. And the documents KRL and Ribotsky have withheld would no doubt provide more troubling details about Ribotsky's ability to pay and his efforts to hold assets beyond the SEC's reach.

The limited documents KRL produced show that Ribotsky has spent *over fifty-six thousand dollars* from a KRL account – between February 17 and December 31, 2023 on categories including, e.g. smoking clubs, tuition, European travel, pet care, and restaurants. This disclosure contrasts sharply with Ribotsky's deposition testimony, during which he claimed that none of his personal expenses were paid by Krupnick Ribotsky or any entity. Ribotsky Tr. 16, 54. The following summary shows some of the

most significant expense categories KRL identified. KRL's list of Ribotsky's expenses is attached as Exhibit 5.

Date Range	Category	Total
2/17/23 – 12/17/23	Restaurants	\$22,473.02
2/21/23 – 12/26/23	Medical / Dental	\$11,316.86
2/28/23 – 12/22/23	Smoking Club	\$7,549.92
2/18/23 – 4/10/23	SUNY payments	\$5,079.90
8/28/23 – 9/5/23	Spending in Italy	\$2,973.65
5/30/23 – 11/6/23	Pet care	\$2,144.08
9/15/23 – 11/23/23	Beverages	\$1,888.29
8/6/23 – 8/8/23	Shoes	\$860.12
9/20/23	Concert	\$737.20
5/11/23 – 12/29/23	Florist	\$709.72
2/18/23 – 4/28/23	Spa	\$685.00
2/26/23	Bloomingdale's	\$487.49
	Total	\$56,905.25

KRL's Response claims "that the majority of these charges were incurred to assist his wife Tammi Ribotsky...in connection with building and operating KRL's business, or were expenses expressly authorized by Tammi Ribotsky,...." But many of these expenses appear personal and Tammi Ribotsky testified that "Corey is not really part of the business." T. Ribotsky tr. 1, 16. However Ribotsky is receiving these funds from KRL, he is receiving them and not paying the SEC, preferring instead, among other things, to travel to Paris and literally let the funds go up in smoke at a smoking club.

What's more, Ribotsky appears to have testified falsely that he resides, rent-free on Long Island. Ribotsky tr. 10. In fact, he appears to reside in an Upper East Side apartment that rents for over \$13,000 per month. KRL appears to pay the rent. Ribotsky tr. 10. KRL now acknowledges that it paid rent of \$146,790 on this apartment in 2022. See Exhibit 6 and Table 1, which summarizes Exhibit 6, below.¹

The SEC Seeks Relief. The SEC respectfully requests that the Court order Ribotsky and KRL to: (i) address all deficiencies in their productions that the SEC identified at Exhibits 3, 4, 10 and 11; and (ii) by April 7, produce: (a) all responsive documents to the SEC, and (b) a privilege log that complies with Local Rule 26.2and

¹ The apartment's management company's counsel has told the SEC that the lease payments continue to be paid by KRL, now by wire transfer. KRL has not produced any documents that show these payments. The SEC is seeking records to support this statement and can provide them when received. The SEC further understands that the current rent exceeds \$14,000 per month or \$168,000 per year. Thus, between 2022 and the present, the rent totaled approximately half a million dollars.

(iii) if Ribotsky or KRL fail to comply with the Court's Order that the Court impose any appropriate sanction.

The SEC anticipates seeking additional relief from the Court if Ribotsky continues to flout his obligation to pay the Final Judgment.

Respectfully,

s/Maureen Peyton King

Maureen Peyton King
Senior Trial Counsel

Table 1

Date	Amount
1/31/2022	\$ 13,490.00
3/2/2022	\$ 13,330.00
3/30/2022	\$ 13,330.00
5/1/2022	\$ 13,330.00
6/1/2022	\$ 13,330.00
8/1/2022	\$ 13,330.00
8/29/2022	\$ 13,330.00
9/26/2022	\$ 13,330.00
10/31/2022	\$ 13,330.00
11/30/2022	\$ 13,330.00
12/23/2022	\$ 13,330.00
Total	\$ 146,790.00